Pfizer Logo

Pfizer to Acquire Excaliard Pharmaceuticals

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Lead Program Includes Novel Investigational Compound for Prevention/Treatment of Skin Scarring

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(BUSINESS WIRE)--Pfizer Inc. (NYSE: PFE) and Excaliard Pharmaceuticals, Inc. announced today that they have entered into a definitive agreement under which Pfizer will acquire Excaliard, a privately owned biopharmaceutical company focused on developing novel drugs for the treatment of skin fibrosis, more commonly referred to as skin scarring. The acquisition is expected to close before the end of the year.

Excaliard's lead product, EXC 001, an antisense oligonucleotide in phase 2, is designed to interrupt the process of fibrosis by inhibiting expression of connective tissue growth factor (CTGF). CTGF is a growth factor that can be over expressed in damaged skin or tissue following surgery or traumatic injury and lead to disfiguring skin scarring. The phase 2 program for EXC 001 has thus far produced positive clinical results in reducing scar severity. Upon completion of the acquisition, Pfizer plans to continue development of EXC 001 to address unmet medical needs in patient groups who suffer from excessive skin scarring. Currently, there are no FDA-approved products to reduce scar severity.

"The acquisition of Excaliard is part of our corporate research and development strategy to actively complement our robust internal project pipeline with innovative and differentiated drugs from biotech partners," said Mikael Dolsten, president, Worldwide Research and Development, Pfizer.

Jose-Carlos Gutierrez-Ramos, senior vice president, Biotherapeutics, Worldwide Research and Development, Pfizer, added: "The science behind Excaliard's lead compound aligns well with our R&D focus on new treatments for fibrosis and tissue remodeling. We view EXC 001 as being well positioned to potentially become a novel, transformative therapy in a space with limited available treatment options."

Gordon Foulkes, Excaliard's CEO, said: "We are all excited about Pfizer becoming the company to move our drug forward. We began Excaliard just four years ago with closing the Series A financing. Since that time, using a virtual organization and maximum outsourcing, we were able to move from lead generation to the completion of three Phase 2 trials. The whole team has just done a fantastic job."

While specific financial terms are confidential, Pfizer will provide to Excaliard an upfront payment and contingent payments if certain milestones are achieved. Isis Pharmaceuticals, Inc. is an equity owner of Excaliard and has granted Excaliard an exclusive worldwide license agreement for the development and commercialization of certain antisense drugs, including EXC 001. As such, Isis will receive a portion of the upfront and milestone payments paid by Pfizer to Excaliard.

About Skin Scarring

In the U.S. alone, there are over 35 million surgical procedures annually. Despite the best surgical technique and post-operative wound care, many procedures result in undesirable skin scarring. In addition to fine-line scarring, scars can be raised (hypertrophic) or even grow beyond the original site of injury (keloids). The prevalence of hypertrophic scarring has been reported to be as high as 70% in certain populations.

The American Society for Aesthetic Plastic Surgery reports that over 5 million reconstructive procedures were performed in the US in 2009 and well over 1.5 million cosmetic surgical procedures. In addition, opportunities exist in other non-cosmetic surgical scars such as Caesarian sections (1.3 million/yr in the US), as well as trauma and burn patients.

Pfizer Inc.: Working together for a healthier world™

At Pfizer, we apply science and our global resources to improve health and well-being at every stage of life. We strive to set the standard for quality, safety and value in the discovery, development and manufacturing of medicines for people and animals. Our diversified global health care portfolio includes human and animal biologic and small molecule medicines and vaccines, as well as nutritional products and many of the world's best-known consumer products. Every day, Pfizer colleagues work across developed and emerging markets to advance wellness, prevention, treatments and cures that challenge the most feared diseases of our time. Consistent with our responsibility as the world's leading biopharmaceutical company, we also collaborate with health care providers, governments and local communities to support and expand access to reliable, affordable health care around the world. For more than 150 years, Pfizer has worked to make a difference for all who rely on us. To learn more about our commitments, please visit us at www.pfizer.com.

About Excaliard Pharmaceuticals

Excaliard Pharmaceuticals, Inc. is a biotechnology company founded in 2007 focused on the development and commercialization of novel and innovative drugs for the amelioration of skin scarring and other fibrotic disorders. EXC 001 was co-discovered by Excaliard Pharmaceuticals and Isis Pharmaceuticals Inc. (NASDAQ: ISIS) and licensed to Excaliard. EXC 001 is a new chemical entity for potential treatment of skin scarring, an antisense oligonucleotide drug targeting expression of CTGF that is activated during skin scarring following the wound healing process.

PFIZER DISCLOSURE NOTICE: The information contained in this release is as of November 22, 2011. Pfizer assumes no obligation to update forward-looking statements contained in this release as a result of new information or future events or developments.

This release contains forward-looking information about an agreement by Pfizer to acquire Excaliard Pharmaceuticals, Inc. (Excaliard); about Excaliard's product candidate EXC 001 and its potential benefits; and about Pfizer's plan to further develop EXC 001. Such information involves substantial risks and uncertainties including, among other things, the satisfaction of conditions to closing the agreement; the uncertainties inherent in research and development activities; decisions by regulatory authorities regarding whether and when to approve any drug applications that may be filed for such product candidate as well as their decisions regarding labeling and other matters that could affect its availability or commercial potential; and competitive developments.

A further list and description of risks and uncertainties can be found in Pfizer's Annual Report on Form 10-K for the fiscal year ended December 31, 2010 and in its reports on Form 10-Q and Form 8-K.

Pfizer: Gwen Fisher (media), 484-865-5160 or Suzanne Harnett (investors), 212-733-8009 or Excaliard: J. Gordon Foulkes (CEO), 760-431-1850